STATE BOARD OF ACCOUNTS 302 West Washington Street Room E418 INDIANAPOLIS, INDIANA 46204-2765

REVIEW REPORT

OF

DEPARTMENT OF VETERANS AFFAIRS

STATE OF INDIANA

May 1, 2004 to September 30, 2006

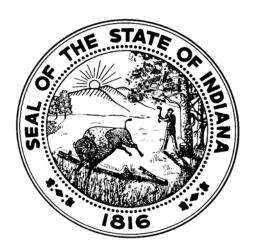




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AGENCY OFFICIALS

Office	<u>Official</u>	<u>Term</u>
Executive Director	William Jackson Charles T. Applegate	01-13-97 to 01-09-05 02-14-05 to 01-10-09
Chairman	William Brewer Dave Havely James Koutz	02-20-04 to 06-06-05 06-07-05 to 03-09-06 03-10-06 to 03-09-07



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE DEPARTMENT OF VETERANS AFFAIRS

We have reviewed the receipts, disbursements, and assets of the Department Of Veterans Affairs for the period of May 1, 2004 to September 30, 2006. The Department Of Veterans Affairs' management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Department Of Veterans Affairs are not in all material respects in conformity with the criteria set forth in the <u>Accounting and Uniform Compliance Guidelines Manual for State Agencies</u>, and applicable laws and regulations except as stated in the review comment.

STATE BOARD OF ACCOUNTS

October 24, 2006

DEPARTMENT OF VETERANS AFFAIRS REVIEW COMMENT SEPTEMBER 30, 2006

SDO ADVANCE TURNOVER

The Special Disbursing Officer Fund (SDO) advance for the Department of Veterans Affairs was not turned over or reimbursed completely, for several months.

If a SDO advance is not used within one or two months then the SDO advance is too large and should be reduced. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 7)

DEPARTMENT OF VETERANS AFFAIRS EXIT CONFERENCE

The contents of this report were discussed on November 14, 2006, with Charles T. Applegate, Executive Director; and James E. Holdeman, Deputy Director.

The contents of this report were discussed on November 15, 2006, with William Jackson, former Executive Director.